

**CITY OF TAKOMA PARK, MARYLAND
BUDGET WORKSESSION OF THE CITY COUNCIL**

**Thursday, May 26, 2005
(Adopted July 25, 2005)**

OFFICIALS PRESENT:

Mayor Porter	City Manager Matthews
Councilmember Austin-Lane	Deputy City Manager Hobbs
Councilmember Barry	Acting City Clerk Carpenter
Councilmember Elrich	Recreation Director Haiduven
Councilmember Seamens	Deputy Recreation Corley
Councilmember Williams	Police Chief Creamer

OFFICIALS ABSENT:

Councilmember Mizeur

The City Council convened at 7:42 p.m. in the Municipal Building Council Chambers, 7500 Maple Avenue, Takoma Park, Maryland.

COUNCIL COMMENTS

Mayor Porter announced that Councilmember Mizeur was traveling and would not be able to attend the meeting.

Councilmember Austin-Lane noted the passing of the sister of a resident on Spruce Avenue.

PUBLIC COMMENTS

Andy Kelemen, Chair of the Public Safety Citizens Advisory Committee, commented that the PSCAC would be doing a study of Police CID and Communications, as recommended by the TASDI Committee. Mr. Kelemen also spoke in opposition to cutting police positions.

BUDGET WORKSESSION

1. and 2. Recreation Department and Continued Discussion of Community Center Use and Rental Policies

Ms. Matthews provided an overview of the Recreation Department budget. There is an overall increase of \$64,000 for FY06; the majority is attributable to salaries and fringes. There is no change in the non-seasonal FTE amount.

Ms. Haiduven noted that the discussion will include both the Recreation Department budget and the proposed policy on Community Center use. The Community Center is the challenge for the next year. We will focus on new programs and new partnerships. We hope to be more informed after the first year of operations. We've been making a lot of assumptions. Staff is aware that our specific day to day functions will change. We have an officer manager vacancy and are looking to reorganize. This office manager will help with the operations of the Community Center. We are looking at scheduling software for the building. Staff will be flexing their schedules to provide coverage for evening operations. The office manager position is still a clerical office position, but we are changing the breadth of the position.

Ms. Haiduven commented on the Department's transportation needs. We have had a replacement van on the Equipment Replacement Reserve list for years. It is an additional van, not a replacement vehicle. We turn away people all the time because we don't have transportation. I'm not recommending a vehicle with a wheelchair lift at this time because 1) you lose seating if you have lift; and 2) we've been using the minivan for seniors, and will continue to do so. It's too soon to make that investment in a van with a lift. We've got a good price on a new van; and are looking to piggyback with COG or the State in the purchase.

In response to a question from Councilmember Seamens, Ms. Haiduven indicated that the best we can do is arrange for a Ride On bus with a lift if we can't use the minivan. We'll need to educate the staff about this.

Ms. Haiduven addressed the need to develop policies for partnerships. A lot of partnerships with the Recreation Department have evolved. I feel we need to formalize so that they are fair, consistent, and clear as to what the City provides and what the group provides. We need to fix with current arrangements and future ones. We plan to enter into an MOU with the groups we partner with.

Ms. Haiduven explained the current policy on program revenue. Children's programs are subsidized and senior program are subsidized. Adult programs pay for themselves. We have ideas for improving revenue. The volume of use in this building will have a great impact on our revenues. We currently have a higher non-resident fee (\$5-\$10 more). It might be low. We have to be careful in raising the nonresident fee. We're better off filling the programs than turning the people away with too high a fee. It is not a science. Staff has been meeting with other recreation departments to discuss fees.

Mr. Elrich suggested exploring a third tier of fees for residents of Prince George's County and DC. Ms. Haiduven commented that she does not think a lot of Prince George's County or DC residents register for City programs.

Ms. Haiduven noted that the MOU with Montgomery County for the Recreation Center on New Hampshire Avenue says we cannot charge higher fees for County residents on programs at the center.

Mr. Seamens commented that since parking is a problem at the Community Center, we might want to charge a higher fee to discourage driving from outside the city.

Ms. Haiduven noted that we really do want to encourage people to fill our programs. The fuller the program, the better it is for us. We always give residents first shot at a program. We don't want to put up too many barriers.

Ms. Haiduven addressed maintenance fees for the use of the athletic fields. \$44,000 is budgeted annually for maintenance of two fields. We haven't charged youth sports for use of the fields. Those leagues are heavily used by non residents.

Ms. Austin-Lane asked if we are subsidizing for profit entities.

Ms. Haiduven responded that we are recommending that groups be required to provide evidence of their nonprofit status, and we will request an audit every few years. The leagues provide a huge service to the community, but we just need to decide at what point we need to look at this.

Mr. Corley explained that since the City has taken over maintenance of Lee Jordan Field (which is owned by the School Board) and the Ed Wilhelm Field (a Park and Planning Field), we now have some of the finest fields in the county.

Ms. Porter commented that the community members who got the County to upgrade the fields before we took them over might not want to be charged a fee now.

Mr. Corley noted the difference in level of maintenance on the fields which are maintained by the City.

Ms. Austin-Lane commented that if we are subsidizing a group, we want them to be up front about their policies. For instance, do the other leagues offer scholarships.

Ms. Haiduven said we plan to have a little summit with the groups, to find out what all the assumptions are, review the insurance, and get the MOUs in place. We need to get it nailed down before we get the Community Center opened.

Ms. Haiduven continued, another idea is to raise all our fees by a certain percentage. There is always the risk of pricing us out of the market. If a program fills quickly, you can raise the price. The way we set our fees is tied into the instructors' fees. There's a real art to pricing, not too high, not too low. This year, we gave \$12,600 already in scholarships this year. It is lost revenue, not an expense.

Ms. Austin-Lane commented that she feels strongly that the nonresident fee should be much higher, double or triple the resident fee. As you hire staff for the opening, expertise and the ability to handle complicated numbers is a good thing to have. \$10 resident fee/ \$75 for non residents. That's the kind of careful look I'd like to have. It can't be applied in a broad stroke

way. It needs to be clear when Takoma Park residents are getting subsidized. Ms. Austin also commented that when hiring staff, you should be looking for someone who can work on increasing participation, and in communicating with residents and Council.

Ms. Porter agreed that resident and non-resident fees should be thought of differently. We should look at what we think we can offer the program to our residents for. For non-residents, look at what's the fee that could make it competitive in the market. The non-resident fee is geared toward the market, and getting the maximum amount of revenue. Think about fee structures differently. The non-resident fee is the revenue generator.

Ms. Haiduven said the programs we offer now are close to market. Does the Council want me to get the most money I can for a program, or should I charge residents less?

Mr. Elrich said resident fees should be a little lower, non-resident fees should maximize revenues. See how much revenue we can generate by increasing non-resident fees.

Ms. Austin-Lane said decrease resident fees and increase non-resident fees.

Mr. Barry commented that the non-resident piece is very important; it is almost half of the participants in the program. Otherwise we'll be driving out non-residents.

Ms. Austin-Lane noted that quality also plays a role.

Ms. Haiduven said she agrees that quality will help fill the programs. We don't want this to come off as a punitive thing. Their kids play with our kids.

Ms. Austin said we should err on the side of the taxpayers.

Ms. Haiduven said we do that. It's delicate. We need to be careful not to go overboard.

Mr. Seamens said to look at the goals. You craft a fee structure. I listed out what I thought the recreation goals should be. Prioritize the service to low income residents, minimize their financial burden, minimize the use of the center by non-residents. Parking is an issue. We have to be sensitive to the parking problem. Coordinate with the Library and Police Department. Use the recreation program as part of Community Oriented Policing.

Mr. Williams suggested that the department charge a small maintenance fee for the use of the fields, tweak non-resident fees to look at market rates. It is not one size fits all.

Ms. Austin-Lane agreed that it is helpful to have criteria by which you are making your decisions. We would like you to present criteria, and have the Council weigh in.

Council discussed the proposed van purchase.

Mr. Seamens said support for the van purchase depends on a firm plan for handling people who cannot get here and need wheelchair access. As to fees for the use of the fields, you should look at what the County is doing.

Ms. Porter said she is concerned about purchasing a non-handicapped equipped van.

Ms. Haiduven noted the low program participation from Ward 5. We have increased outreach to the ward. We met a lot of new people at the ward parties. My staff is talking about the possibility of using a site in Ward 5. The ward is short on facilities.

There was a discussion about communication in Ward 5. Mr. Elrich said he would like to have an information kiosk at Houston and Roanoke.

Ms. Haiduven noted that the van is important for all the wards. She provided statistics on participation. She noted the current lack of space for seniors to meet and said she believes the senior room in the new Community Center will be quite a draw for seniors.

Mr. Seamens said he would like to see young people and seniors to work together.

Ms. Haiduven said she believes there will be a good balance.

Ms. Porter commented that breaking out how much each program costs and brings in, with target audience, would be important in setting fees. She encourage Ms. Haiduven to develop a way to do that.

Mr. Seamens said he is concerned that the New Hampshire Avenue center may become neglected.

Ms. Haiduven said where we are now, it is our only gym. We will use it heavily. We are thinking about making it a fitness center.

Ms. Haiduven commented on developing priorities for facility use in the new Community Center and the philosophy for setting the priorities.

Mr. Seamens said he would like add low income residents to priority of use. Pay attention to programs for low income residents who cannot go elsewhere.

There was discussion of what constitutes a community group. Ms. Haiduven said you have to define this if you have a residency requirement. The Center is not available free for non-resident groups.

Ms. Porter suggested that a list of community groups be developed. Groups can apply to be on the list.

Ms. Austin-Lane commented that you don't want groups to constitute themselves to get use of this building.

Ms. Haiduven suggested that the City Manager determine which groups qualify based on criteria.

Ms. Austin-Lane said she would like to see the City Manager's criteria.

Ms. Haiduven then provided information on proposed fees.

Council directed staff to provide more information on the criteria for setting fees.

Ms. Haiduven presented information on prohibited activities. Staff is recommending that alcohol be permitted, with a County permit, to maximize rental appeal of the facility.

Councilmembers commented on their concerns about alcohol use and indicated that a substantial deposit should be required, groups must be strictly accountable if police or special cleanup is required. Staff will provide additional information on this.

3. Budget Reconciliation

Ms. Matthews flagged adjustments that had been made to the proposed FY06 budget and provided information on the reconciliation items raised by the Council during budget worksessions.

Council discussed the proposed sidewalk on Erskine Avenue, the request for a sidewalk on Geneva Avenue, and requests for sidewalks on Boston Avenue and Grant Avenue. There was agreement to leave the budgeted number as proposed, consult with the residents on these streets, proceed with the projects that Public Works staff feels have merit, and do a budget amendment mid-year if necessary.

Next Council discussed Councilmember Seamens request for a \$200,000 program to assist low income residents.

Ms. Porter asked if this would include cash assistance. Mr. Seamens responded yes, and that he would recommend the use of the one-half FTE available in the Housing Department to administer the program.

Mr. Elrich commented that this kind of social service would be new to us. It should be discussed early in the budget process. We should spend a year trying to develop a program like this.

Mr. Williams commented that he would have concerns about opening new areas of duplication of service.

Mr. Barry commented that Council would need far more information and a public discussion.

Mr. Elrich recommended that the City ensure that renters in the city are aware of the tax credit available for renters. We should see if we can piggyback on that program for renters. It is as reasonable to give money back to renters as homeowners.

Ms. Porter commented that the difficulty with doing small programs is that the administrative cost would be too high a percentage of the cost. We can be most beneficial in doing what the County does not do. She said she shares and appreciates Mr. Seamens' concern for low income residents, and noted the City's commitment to the rent stabilization program.

Ms. Austin-Lane indicated that she would like to continue the discussion of the tax credit for renters and rent control. Our rent control is not targeted for low income renters. Our discussions should include income based rent control.

Mr. Elrich noted a COG report that shows the disparity between the incomes of renters and homeowners. Our policy has been to maintain affordable housing.

Mr. Seamens commented on his proposal for a \$10,000 donation for the Manna Food Center. Our policies do attract low income residents. Both Manna and Adventist Community Services reported there is a need in this area. Takoma Park prides itself in diversity of community, and on volunteerism. We fund other programs (like the Arts and Humanities Commission).

Ms. Porter said the issue is to encourage people to contribute more, or make the donation through the Stormwater Fund donation program. I am not adverse to encouraging people to donate more, but do we tax people so we can make this donation, or do we encourage donations.

Mr. Elrich indicated that he would want to have a commitment that an organization was going to spend the money here in Takoma Park.

Ms. Austin-Lane suggested that for the next year the stormwater donation program should be better advertised, with an information sheet and an annual report in brief from Adventist Community Services to show the effect of city voluntary contributions. We need to do a better job of informing people about this. I would love to have this on the agenda to discuss this more fully.

Ms. Matthews said that a direct donation program would need to be done by issuing an RFP so other organizations could make proposals. An MOU would have to be prepared.

Mr. Seamens commented that segments of our community are in a difficult situation. I have no problem with going through the legal requirement. As I began to realize we could not keep the tax rate down, I began to look at the number one issue for a large number of people who have basic needs that are unmet.

Ms. Austin-Lane suggested a newsletter article about the agency and the need for support.

Mr. Elrich said he encourages these groups to come forward to us. It's true, we put in \$2000 for a film festival director. I would like to revisit this over the next year.

Ms. Porter summarized that there is consensus to pursue the notion of encouraging in some way people or the City to provide funding for food needs for low income people in the city.

Mr. Barry commented that no one listening should think we are cold-hearted. Our rent stabilization program benefits people of limited means.

Mr. Elrich introduced his idea for budgeting for fewer Police Officers. We are five officers down. It is not likely that we will fill those vacancies. We are budgeting for 41 officers. I would like to modify my proposal to have the Council recognize that we will not have 41 officers this year, and use the savings to reduce the tax rate by one cent.

Chief Creamer commented that she cannot estimate when she will have the five sworn officers. We have a viable pool of applicants that we're looking at, but I can't commit to a time frame.

Ms. Austin-Lane said she is not comfortable deciding this without a public process. She asked if the proposal is to put a hiring freeze on for the two positions.

Mr. Elrich said it is his thought that if we are not going to use the funds for police officers, we shouldn't tax for it.

Mr. Williams said he would want to direct the Chief to keep recruiting for the officers.

Ms. Porter said there should be a clear understanding that the Council commits to funding the officers if they are hired.

Mr. Seamens suggested that the Chief review staffing to see if there are more effective ways to use staffing.

Mr. Elrich said he would like to see a staffing plan for 35-38 officers.

In response to a question from Ms. Porter, Chief Creamer said the Council has made an effort to assist us. We offer education incentives, we are fairly competitive. We will never be able to compete with Rockville, for example.

Ms. Matthews noted that both Rockville and Montgomery County have indicated they have had trouble recruiting.

Chief Creamer described her recruiting efforts.

Mr. Barry commented that the community expects that squads go out at full strength.

Chief Creamer said staff is working very hard. We are short staffed. Some of the sworn staff have to be reallocated to dispatch and crossing guard duty. As we get our numbers up, you'll see more progress and better results with your department.

There was consensus to proceed with not funding the two police positions in recognition that the positions will probably not be filled in the coming year, with the commitment to fund the positions if they can be filled.

Ms. Matthews noted that by reducing the tax rate now, by not funding the two positions, will likely mean a tax increase will be required to fund the positions in future years.

There was Council consensus to fund the \$900 needed for the Street Smart Program.

Ms. Austin-Lane asked for Council support for the \$2000 for the Film Festival Director.

The majority of Council agreed that the City Manager should find the funds in the FY06 budget to fund the director, as a one time only expenditure. Mr. Seamens said he believes this should be funded through voluntary contributions instead.

Ms. Austin-Lane requested the funding for start up of a CSAFE model in the Old Town/Metro area. I believe this is safe in that it would be matching money. Bring on a person to start the new program. It is different from the day laborers situation. It is matching from the beginning, only paid out once. We need to show our commitment to this project.

Ms. Porter commented that the Lt. Governor heard Ms. Austin-Lane's request when he visited recently. He understood the need. We should continue to push this, to get funding for it.

Mr. Barry said that perhaps we can leverage the success of the CSAFE program in the Crossroads area to get support for a program on the other side of town.

Mr. Elrich proposed that Council look at our funds later in the year, rather than funding this request now.

Ms. Austin-Lane commented that we have been funding the day laborer site for years. We have an acute problem around the Metro. We have to show in our budget where our values are.

Ms. Porter commented that Chief Creamer has done a good job so far. The CSAFE program in the Crossroads took several years to get going.

Ms. Austin-Lane said we have budgeted \$25,000 for pedestrian safety. We could use that money to leverage funding for CSAFE in the Metro area. We need to be ready with this kind of commitment. We can hire the a director for part of a year, to work on getting grant money. Other government agencies will be more willing to commit funds if we make a commitment.

Ms. Porter said if it gets moving along, I would be willing to add it to the budget or amend the budget to fund this. I am supportive of the idea, but not willing to put money in the budget for it right now.

Mr. Elrich said we can address this later. I won't vote against this if we get grant funding.

In response to questions from Council, Chief Creamer said the CSAFE program is funded on the same fiscal year schedule as the City. At this time, the State will not fund any new CSAFE initiatives. We've been required to submit status quo budgets. She described the funding mechanisms for the program.

Mr. Barry expressed concern about going forward, to sustain the current CSAFE program in the Crossroads and to fund something new. The idea is to get into the community, to build partnerships.

Mr. Seamens addressed his proposal for \$5000 for translation services. It is not targeted for a specific project. Form a language advisory committee to advise the Council. This would fund translation of 60 pages.

Ms. Matthews noted that staff does small translation projects in-house. Translation of the Survival Guide cost around \$2000.

Mr. Seamens said he wanted to see more than just Spanish translations and more than just an occasional flyer.

Mr. Elrich noted that he is uncomfortable with poorly translated documents (by machine). If we need to find a better way of communicating, we should do that.

Mr. Barry said the committee can prioritize and identify what should be translated, and how.

There was a discussion of reducing of the tax rate. The rate is to be reduced by three cents.

ADJOURNMENT

The Council adjourned for the evening at 11:37 p.m.